

## **Appendix A**

### **Information Required from Pacific Bell**

#### **I. Instructions for Pacific Bell**

This appendix is organized in a format which follows section 271 (c) and (d) of the Act. In providing answers to questions posed in this appendix, Pacific Bell should conform to the following:

1. Limit the response to 100 pages, exclusive of attachments.
2. Answers should focus on quantitatively-based explanations, with accompanying general explanations. Discussions of data sources and techniques should be contained within the attachments.
3. Answers should be in a tabular format whenever possible.
4. All evidence and data should demonstrate *present* compliance, not promises of future compliance.
5. Please note that the generic questions in section V(A) are applicable to all checklist items.

#### **II. State of Local Competition, Pursuant to Section III(A) 34 of the Ameritech/ Michigan Order**

The intent of this section is to gather and submit information to the FCC. For “State of Local Competition” questions, it should be noted that this Commission’s consultative role with the FCC is not the appropriate forum to resolve disputes or complaints concerning previous decisions or on-going proceedings.

To the best of Pacific Bell’s knowledge, answer the following concerning the state of local competition in California:

1. On a statewide and exchange basis, what is the number of active business and residential access lines with local exchange service provided by Pacific Bell?
2. On a statewide basis, what is the number of business and residential customer accounts with local exchange service provided by Pacific Bell?

3. What proportion of the local exchange market does Pacific Bell control in its service territory?
4. What revenues did Pacific Bell derive from California in 1996 and 1997 from: 1) basic local residential services; 2) basic local business services; 3) intraLATA toll; 4) access charges; and 5) all other types of services?
5. What is the total number of competitive local carriers (CLCs) certified to provide service in Pacific Bell's service territory? Specify if CLCs are facilities-based, resellers, or both? Which of these CLCs are actually providing service?
6. What is Pacific Bell's opinion concerning the likely success or growth rate of CLCs in the local exchange market?

### **III. Section 271(c)(1)(A) – Presence of a Facilities-Based Competitor**

Section 271(c)(1) of the Act requires the presence of a facilities-based competitor. To determine whether or not Pacific Bell meets this requirement, answer the following:

1. List the carriers certificated by the CPUC as facilities-based CLCs to operate in Pacific Bell's service territory.
2. Which of the carriers listed above are currently providing service to local customers through: i) using their own facilities or, ii) a combination of Pacific Bell's and the competing carrier's facilities? Describe how service is being provided (e.g., Pacific Bell's unbundled loops connected to the CLC's switch, etc.).
3. To what extent is each CLC above providing: i) business exchange service; ii) residential exchange service, or; iii) exchange and/ or special access services.
4. For each of the services described above, indicate whether the services are provided via: i) resale; ii) UNEs; or iii) entirely over facilities owned by the CLC.
5. How many loops (business and residential), by type (i.e., DS0, DS1), do CLCs lease from Pacific Bell, both throughout Pacific Bell's service territory and on an exchange basis?
6. How many line-side switch ports and unbundled local switching elements do CLCs lease from Pacific Bell, both throughout Pacific Bell's service territory and on an exchange basis?
7. On a statewide and exchange basis, how many Pacific Bell loops (business and residential), by size (i.e., DS0, DS1), are connected to a switch owned or controlled by CLCs?

8. On a statewide and exchange basis, how many loops (business and residential), by size (i.e., DS0, DS1), owned or leased by CLCs, are connected to Pacific Bell switches?
9. List each Central Office (CO) where Pacific Bell has implemented physical collocation, and indicate the number of collocators in each CO. Give the same information for virtual collocation. If Pacific Bell has implemented any other collocation options, specify type and CO location.
10. What is the average time for Pacific Bell to implement physical or virtual collocation? What installation schedule is used?
11. What are Pacific Bell's collocation rates? How do rates for physical collocation differ from those for virtual collocation?
12. What process does Pacific Bell utilize to determine if space is available for physical collocation?
13. Provide monthly traffic volumes separated by local and intraLATA toll traffic terminated to all CLCs during the most current three months.

#### **IV. Section 271(c)(2)(A) – Interconnection Agreements**

To determine whether or not Pacific Bell meets the requirements of Section 271's "Track A", the Commission requests the following information:

1. How many interconnection agreements has Pacific Bell negotiated or had arbitrated with CLCs pursuant to sections 251 and 252 of the Act? List the companies and the effective date of each agreement, and whether or not the agreement was negotiated or arbitrated.
2. For all of the arbitrated agreements in #1 above, indicate whether Pacific Bell has appealed the Commission's decision to Federal District Court. Explain the issues in the appeal and its status.
3. Which CLCs have requested negotiations with Pacific Bell pursuant to sections 251 and 252, but have not yet entered into interconnection agreements with the company? What is the status of negotiations and/ or arbitrations that have not yet resulted in an approved agreement? What are the unresolved issues in each of those negotiations and arbitrations?

4. How many interconnection agreements has Pacific Bell negotiated with CLCs pursuant to state CPUC rules which have not been superseded by section 251/ 252 agreements? List the companies and give the effective date of each agreement.
5. What services are CLCs currently purchasing under their interconnection agreements? Show in tabular format, by carrier.
6. Which of Pacific Bell's interconnection agreements contain implementation schedules? (Indicate percentage of total.) What degree of detail do the implementation schedules contain?
7. For those interconnection agreements with implementation schedules, has Pacific Bell met the commitments specified? Have CLCs met their commitments? Give specific citations to the interconnection agreement and explain which party was responsible for not meeting each commitment.
8. Does Pacific Bell allege that any of the CLCs, with whom agreements could qualify Pacific Bell under Track A, negotiated in bad faith? If so, describe.
9. For those interconnection agreements with implementation schedules, does Pacific Bell allege that any of its competitors are engaging in strategic manipulation of local market entry - or have intentionally delayed implementation of their interconnection agreements - in order to prevent Pacific Bell from entering the in-region, interLATA market?
10. For each interconnection agreement with a CLC currently providing service, provide traffic data for all traffic terminated to that CLC on both a resale and facilities basis. For traffic terminated on a facilities basis distinguish between local and intraLATA toll traffic. All reports should include the three most current months.

## **V. Section 271(c)(2)(B) – Competitive Checklist**

For each section 271 checklist item, Pacific Bell should provide relevant, detailed information in response to the generic questions below, as well as to the specific questions for each item.

### **A. Checklist Items Generic Questions**

For each individual checklist item, answer the following with quantitative information, and in tabular format where possible:

1. Has Pacific Bell fully implemented this checklist item as required by section 271 of the Act?

2. What performance standards must Pacific Bell meet regarding the quality, reliability, and timeliness of providing checklist items to CLCs, affiliates, and itself? How were these performance standards determined?
3. To whom is Pacific Bell presently providing, on a commercial basis, this checklist item?
4. Is the quality and reliability of checklist items provided to competitors by Pacific Bell comparable to the quality and reliability of such items Pacific Bell provides to itself or its own customers?
5. What technical standards and/or business rules is Pacific Bell providing to CLCs for each checklist item? Explain the process and scheduling for updating these technical standards and/or business rules.
6. What is the rate of each checklist item? How was the pricing of each item (as applicable) determined? Is pricing equitable?
7. If Pacific Bell is not currently providing this checklist item, is Pacific Bell offering the item? If so, how is it offering the item and under what terms, conditions, and rates? Describe how the checklist item is readily available and easily obtained by competitors.
8. If Pacific Bell is not currently offering this checklist item, is Pacific Bell capable of commercially providing it? What is Pacific Bell's anticipated schedule to provide the item? Has any CLC requested the checklist item?
9. Has Pacific Bell received any formal or informal written complaints from new entrants regarding provision of this checklist item? If so, what was the nature of the complaint, what is its current status and, if applicable, how was it resolved?
10. Is Pacific Bell able to provide this checklist item in all parts of its service territory?

**B. Checklist Item One: Interconnection, Section 271  
(c)(2)(B)(i)**

1. How is Pacific Bell offering interconnection in accordance with the requirements of sections 251(c)(2) and 252(d)(1) of the Act?
2. On what dates did any nonaffiliated carriers actually interconnect with Pacific Bell?
3. At what points within its network does Pacific Bell provide or offer interconnection?

4. What is the price for interconnection, including all recurring and nonrecurring charges, and is it based on cost as required by section 252(d)(1)?
5. Does Pacific Bell impose material limitations on interconnection (i.e., one-way trunking, use of different trunk groups for different "types" of traffic, etc.)?

**C. Checklist Item Two: Nondiscriminatory Access to Network Elements, Section 271 (c)(2)(B)(ii)**

1. How is Pacific Bell providing nondiscriminatory access to unbundled network elements at just and reasonable rates and in accordance with the requirements of sections 251(c)(3) and 252(d)(1) of the Act?
2. List each CLC to which Pacific Bell is selling network elements, the network elements provided, the volume of each network element provided, and the date the element was first provided.
3. At current network capacity, what additional volume of each network element can Pacific Bell provide to CLCs?
4. Are there any network elements required by this Commission or the FCC that Pacific Bell does not plan to offer?
5. For each element Pacific Bell does not plan to unbundle, has Pacific Bell demonstrated technical infeasibility and offered any alternative?
6. What methods can entrants use for physical access to UNEs?
7. Is Pacific Bell providing access to UNEs in a manner that allows requesting carriers to combine them? Describe the methods for these UNE combinations. Additionally, list all restrictions Pacific Bell imposes on CLC requests for combinations of UNEs.
8. Are there any UNE elements that Pacific Bell will offer only in combination (unseparated)? If so, what are they, and why?

**D. Checklist Item Three: Nondiscriminatory Access to Poles, Ducts, Conduits, and Rights-of-Way, Section 271 (c)(2)(B)(iii)**

1. How is Pacific Bell providing nondiscriminatory access to poles, ducts, conduits, and rights-of-way at just and reasonable rates?

2. Does Pacific Bell provide the same access to these facilities to CLCs as it provides itself?
3. Does Pacific Bell make available to CLCs its maps, plats, and other relevant data, and what are the terms and conditions of such availability?
4. Describe any municipal (or other type of government) franchise, grant, or additional requirement that affects Pacific Bell's access to pathways, poles, conduits, and rights-of-way differently from that of unaffiliated carriers.
5. What is Pacific Bell's policy for reservation of space for its own use? How does this affect access to rights-of-way of competitors?
6. How many competitors gain access to customer dwellings in multidwelling units, including access to interbuilding cabling?

**E. Checklist Item Four: Unbundled Local Loop Transmission, Section 271 (c)(2)(B)(iv)**

1. How is Pacific Bell offering local loop transmission from the central office to the customers' premises unbundled from switching and other services?
2. How many such loops is Pacific providing each CLC?

**F. Checklist Item Five: Local Transport, Section 271 (c)(2)(B)(v)**

1. How is Pacific Bell providing local transport from the trunk side of its or a competing carrier's local exchange carrier switch unbundled from other switching or services offered by the incumbent carrier?

**G. Checklist Item Six: Local Switching, Section 271 (c)(2)(B)(vi)**

1. How is Pacific Bell offering local switching unbundled from transport, local loop transmission, or other services?
2. Explain how local switching options A, B, and C contained in the AT&T/ Pacific Bell interconnection agreement approved in CPUC Decision 96-12-034 are being offered. When did Pacific Bell first start offering each option and how many elements has Pacific Bell provisioned of each of the three options? Have any of the three local

switching options been combined with other network elements? If so, which combinations have been provisioned?

**H. Checklist Item Seven: 911 and Other Services, Section 271 (c)(2)(B)(vii)**

1. How is Pacific Bell providing nondiscriminatory access to 911 and E911 services? Directory assistance services? Operator call completion services?
2. How is Pacific Bell trying to resolve any problems it has experienced in integrating CLC customer information into the 911 system? Discuss what problems, if any, are caused by CLC error.

**I. Checklist Item Eight: White Pages, Section 271 (c)(2)(B)(viii)**

1. How is Pacific Bell providing white page directory listings for customers of the CLC's telephone exchange service?
2. Under what terms does Pacific Bell provide white page directory listings?
3. Under what terms does Pacific Bell provide nondiscriminatory access to basic directory listings for business accounts (name, address, telephone number, and primary business classification)?
4. Under what terms does Pacific Bell provide: (i) complete content of white page local exchange directory in electronic format; (ii) specific white page directory publication schedules and deadlines; and (iii) specific white page directory publication schedules and delivery dates/ locations?
5. Under what terms does Pacific Bell deliver white and yellow page directories to customers of new carriers? Do those terms differ from those Pacific Bell affords itself, its affiliates, or its retail customers?

**J. Checklist Item Nine: Nondiscriminatory Access to Telephone Numbers, Section 271 (c)(2)(B)(ix)**

1. How is Pacific Bell providing nondiscriminatory access to telephone numbers for assignment to other carriers' telephone exchange service customers?



2. Under what terms do carriers, including Pacific Bell and its affiliates, obtain access to telephone numbers for assignment?
3. How is Pacific Bell managing limitations in numbering resources (e.g., NXX freezes)?

**K. Checklist Item Ten: Databases and Signaling, Section 271  
(c)(2)(B)(x)**

1. How is Pacific Bell providing nondiscriminatory access to databases and associated signaling necessary for call routing and completion?
2. To which CLCs is Pacific Bell providing such access, and under what terms, conditions, and rates?
3. Are there any databases that competitors have requested access to that Pacific Bell is unwilling or unable to supply?
4. Are there any pending requests for access to databases that Pacific Bell has not granted or completed?

**L. Checklist Item 11: Number Portability, Section 271  
(c)(2)(B)(xi)**

1. What methods of interim number portability is Pacific Bell providing? Specify if it is being offered under tariff or under the terms of specific interconnection agreements.
2. To which CLCs is Pacific Bell providing interim number portability, and under what terms, conditions, and rates?
3. Has Pacific Bell denied interim number portability arrangements requested by any CLCs? If so, describe the circumstances in detail.
4. What has been Pacific Bell's operational experience in providing each type of interim local number portability?
5. What are the characteristics of each interim local number portability arrangement, including cost recovery and service quality implications?
6. Is Pacific Bell going to meet the FCC-mandated implementation schedule for permanent local number portability? If not, why not?

7. If Pacific Bell does not meet the FCC-mandated implementation schedule for permanent local number portability, how will this affect its ability to provide services to CLCs?

**M. Checklist Item 12: Dialing Parity, Section 271 (c)(2)(B)(xii)**

1. How is Pacific Bell providing nondiscriminatory access to such services or information, as is necessary, to allow a requesting carrier to implement dialing parity in accordance with the requirements of section 251(b)(3)?
2. What percentage of Pacific Bell switches are providing dialing parity to competitors for local calls?
3. What percentage of Pacific Bell switches, serving what percentage of access lines, have been equipped to provide dialing parity for intraLATA toll calls, and in what percentages of switches, serving what percentage of access lines, has that capability been tested?
4. Will intraLATA toll dialing parity be implemented in such switches using the "full 2-PIC" subscription method, and if not, what method will be used?
5. Does Pacific Bell plan to provide dialing parity for intraLATA toll calls before, or only coincident with, its provision of in-region interLATA services?
6. After receiving section 271 authorization, when a customer calls Pacific Bell to establish new local exchange service or to switch the location of its existing service, how does Pacific Bell plan to have its service representatives inform the customer of their long distance provider options in the manner prescribed in Ameritech/ Michigan and Bell South/ South Carolina Orders (i.e., offering to list the optional providers, using a random order)?

**N. Checklist Item 13: Reciprocal Compensation Arrangements, Section 271 (c)(2)(B)(xiii)**

1. How is Pacific Bell providing reciprocal compensation arrangements in accordance with the requirements of section 252(d)(2)?
2. Describe arrangements for reciprocal compensation, including bill-and-keep, for local exchange traffic between Pacific Bell and CLCs and other ILECs?
3. For carriers with bill-and-keep arrangements, specify whether bill-and-keep is replaced with explicit compensation arrangements when traffic is not in balance. How is traffic balance determined?

4. For all carriers with explicit compensation arrangements, specify the type of arrangements and rates (i.e., call termination rates).

**O. Checklist Item 14: Resale, Section 271 (c)(2)(B)(xiv)**

1. How is Pacific Bell providing telecommunications resale services in accordance with the requirements of sections 251(c)(4) and 252(d)(3)?
2. What services are offered for resale to CLCs? What services are not?
3. What is the level of wholesale discount for each service offered for resale?
4. What nonrecurring charges, if any, does Pacific Bell impose on resellers?
5. Does Pacific Bell impose changeover charges? If so, under what circumstances?
6. What has been Pacific Bell's operational experience in providing each service for resale? (Note: Experience other than order processing.)
7. Will Pacific Bell brand resold operator call completion and directory assistance services at the reseller's request, or are those services offered on an unbranded basis only? What limitations does Pacific Bell impose on branding?
8. Does Pacific Bell provide all operator functions (i.e., operator billing options, rate quotes) on resold operator call completion services?
9. Does Pacific Bell route, at a reseller's request, operator and directory assistance calls to the reseller's own facilities?
10. Have all retail services (including Centrex and other central-office based switching services) offered by Pacific Bell after January 1, 1996, been made available for resale? If not, describe any restrictions, including the "grandfathering" of such services.
11. Per discussions in the Bell South/ South Carolina Order, is Pacific Bell offering Contract Service Arrangements (CSAs) at discount rates? With CSAs, does Pacific Bell use cancellation penalties? What written complaints, if any, has Pacific received about CSAs? What resolution has been reached, if any, for CSA complaints?

## **VI. OSS Parity**

To the extent that quantitative data is provided, Pacific Bell should explain all calculations and the data time period.

### **A. General OSS Questions**

1. What operational support systems (OSS) does Pacific Bell provide to CLCs?
2. What forms of OSS access are available to CLCs for: i) the purchase of unbundled network elements, ii) the resale of Pacific Bell retail services, and iii) maintenance and repair?
3. What testing does Pacific Bell perform on new OSS systems it provides in order to demonstrate that information will be delivered to new entrants in a timely, accurate, and useful manner?
4. Is OSS access provided to CLCs pursuant to uniform interfaces intended for nationwide or region-wide implementation?
5. What is the current capacity for each of Pacific Bell's OSS system (i.e., number and type of transactions that can be processed within specific time frames, the number of competitors that can be supported, etc.). What are Pacific Bell's plans to expand such capacity? Is this capacity sufficient to meet CLCs needs?
6. What steps has Pacific Bell taken to ensure nondiscriminatory access to OSS for each checklist item?
7. What training has Pacific Bell provided for each available ordering interface?
8. How does the timing for meeting competitor's demands for service compare with the timing under which Pacific Bell provides such items to itself or its own retail customers?
9. What is the personnel turnover rate at Pacific Bell's Local Service Center (LSC), specifically for order processors, account representatives, and customer support managers? How long does it take to train each of these types of LSC personnel? At the LSC, is there a mixing of personnel between retail/wholesale operations?
10. Does Pacific Bell provide integration between Pacific Bell's interfaces for pre-ordering and ordering functions so that manual re-entering does not have to occur?

11. When completing pre-ordering inquiries and orders, is the information and interface type provided to competitors analogous to what Pacific Bell provides itself?
12. In the past, how have OSS interface specifications been made available to potential competitors? What system design and general information is Pacific Bell providing to CLCs about future modifications or design changes which will be necessary for interfacing with upgraded Pacific Bell legacy and access systems?
13. For systems upgrades referenced in # 12, is there a significant resource expenditure required by CLCs? What type of training is provided by Pacific Bell, e.g., workshops, revised manual, customer account representatives providing on-site training?
14. Are there any functional issues within the interfaces provided by Pacific Bell that result in more steps or additional time spent by CLCs? (Examples: having to scroll through long lists; ability to utilize “inquiry modes” to validate data before submitting orders, etc.)
15. What is Pacific Bell’s experience with “operational readiness” problems (for example, software system “lock ups” or shut downs)? What are the problems, and how often do they occur?

## **B. Pre-Ordering**

1. Does Pacific Bell provide equivalent access to due dates (the date on which the order is scheduled to be completed) for service installation? Is the method of calculating due dates equivalent to the method Pacific Bell uses for its retail operations?
2. Does Pacific Bell provide equivalent access to telephone numbers? Does Pacific Bell limit the quantity of telephone numbers that a CLC can reserve in a central office for either an individual customer or on the aggregate basis of all reservations made by a CLC? Is there an equivalent restriction that applies to Pacific Bell’s retail operations?
3. For pre-ordering information do CLCs have access that is equivalent to that of Pacific Bell’s retail representatives?

## **C. Ordering/ Provisioning**

1. How and when does Pacific Bell provide a new entrant information concerning the status of the new entrant’s resale or UNE order?
2. Describe order rejection rates for retail, resale, and UNE orders. For resale and UNEs break down the rates by the type of interface used – both electronic and manual, as well as different software types.

3. For both retail and resale, compare rejection rates for POTS services.
4. How does Pacific Bell notify a CLC that an order has been rejected? How long does it take for an order rejection notice to be issued?
5. Provide statistics for loss of dial tone for customers leaving Pacific Bell and returning to Pacific Bell, separated on a resale and facilities basis.
6. Delineate order rejections by cause (Pacific Bell error versus CLC error). If Pacific Bell states the error rate is the result of user error, provide adequate support for this contention.
7. What information does Pacific Bell provide to CLCs concerning its internal editing and data formatting requirements? Is this information adequate for successful processing of CLCs' orders through both Pacific Bell's interface and its internal systems?
8. In what manner does Pacific Bell provide order status notices to CLCs? Are equivalent notices used by Pacific Bell internally on its own orders? How are those notices provided? Demonstrate that the notices are offered at parity for CLCs and Pacific Bell's own internal usage.
9. Does Pacific Bell provide CLCs with error notices and are those notices used by Pacific Bell when it provisions a retail service? If the notices differ, how do they differ? Are notices provided by Pacific Bell in the same manner as the order was received (e.g., electronic, fax, phone call)? In what time frame are the notices provided to CLCs and internally to Pacific Bell?
10. How long does it take Pacific Bell to provide firm order confirmation notices (FOCs)? Identify the retail analogue of FOCs and report separately for manual and electronic responses. Does the response time meet Pacific Bell's contractual obligations contained in all interconnection agreements?
11. Does Pacific Bell provide order jeopardy notices? Does it provide notices for both problems caused by the CLCs or their customers, and those that are caused by Pacific Bell itself? When are jeopardy notices provided? What percentage of the notices have been issued before the original due date requested in the order and what percentage after that date? Does Pacific Bell use jeopardy notices in provisioning its own retail services? Provide equivalent information on timeliness of notice issuance.
12. Provide data showing average installation intervals for both resale and retail. The parity measurement used should be the time frame from when Pacific Bell first receives an order to when service is installed.

13. How is Pacific Bell providing nondiscriminatory access to OSS functions so that CLCs are enabled to submit orders for unbundled network elements in a timely manner? Where possible Pacific Bell should include preordering, order, and installation comparisons to retail analogues. Responses should include time comparisons for various OSS functions.
14. For UNEs, what problems have CLCs experienced with high rejection rates and untimely order status notices?
15. What is the level of manual processing involved in the ordering and provisioning of UNEs?

#### **D. Repair, Maintenance, and Billing**

1. What type of recording and other data does Pacific Bell provide that allows carriers to properly bill end users, interconnecting local carriers, and toll carriers?
2. Provide comparisons between Pacific Bell's retail services and resold services for each of the following:
  - a. How are trouble tickets entered into Pacific Bell's maintenance system?
  - b. What is the average time for a trouble ticket to clear for basic POTS, Centrex and PBX trunks? Time calculations should commence with when the trouble ticket was received by Pacific Bell.
  - c. For trouble tickets not requiring dispatch, how are trouble reports cleared and appropriate service representatives notified?
  - d. For trouble tickets requiring dispatch, what is the standard interval for repair completion for each of the service groups listed in (b)? What percentage of repair dispatches meet those standard intervals?

### **VII. Provision of Separate Affiliate Operations Pursuant to Section 272(d)(3)(B)**

For any Pacific Bell affiliate designated to provide in-region interLATA service, provide answers to the following with evidence to support all assertions of compliance with section 272. If that affiliate has been approved to provide service by the California Public Utilities Commission, answers to the questions in this section may be omitted.

1. Does the affiliate operate independently from Pacific Bell?
2. Does the affiliate maintain separate books, accounts, and records as prescribed by this Commission and section 272?

3. Does the affiliate employ separate officers, directors, and employees from Pacific Bell?
4. Has the affiliate obtained credit under any arrangement that would permit a creditor, upon the affiliate's default, to have recourse of Pacific Bell assets?
5. Does the affiliate conduct transactions with Pacific Bell on an arms-length basis, with any transactions being reduced to writing and available for public inspection?
6. How will Pacific Bell and its affiliates comply with the audit requirements of section 272(d)?
7. How will Pacific Bell provide services on a non-discriminatory basis, in order to meet the requirements of section 272(e)?
8. How will Pacific Bell and its affiliates comply with the joint marketing provisions of section 272(g)?

### **VIII. Provision of Public Interest Pursuant to Section 271(d)(3)(C)**

Please provide the evidence Pacific Bell intends to rely upon to establish that its section 271 application for interLATA relief is in the public interest, convenience, and necessity. At a minimum, address the following questions and points:

1. The potential benefits Pacific Bell foresees from its entry into the long distance market.
2. The present state of competition in the provision of long distance services.
3. The likely development of further competition if Pacific Bell does not enter.
4. The likely competitive impact if Pacific Bell enters.
5. A description of the factors that should be considered in assessing whether Pacific Bell's entry would be in the public interest.
6. Whether the public interest requires the presence of viable local competition in at least the major markets in California.
7. Whether integrative efficiencies, to producers or consumers, are likely to result from Pacific Bell's ability to offer both long distance and local service.
8. In what ways, if any, Pacific Bell's long distance entry or absence is likely to affect the ability of other firms to achieve such efficiencies.



9. How Pacific Bell anticipates it will provide its long distance services (e.g., using its existing network, building additional network facilities, reselling other carriers' service, or acquiring an existing long distance carrier). To what extent is this choice relevant to an assessment of the risks and potential benefits of long distance entry.
10. What risk exists that Pacific Bell's market power in local markets could be used to hamper competition in the provision of any telecommunications service, including both local and long distance services?
11. Will Pacific Bell's ability or incentive to hamper competition be affected by its entry into long distance?
12. Will the entry of Pacific Bell into the interLATA market affect the incentives of long distance companies to expand into local service?
13. Will there be a "first mover" advantage associated with the ability to offer integrated service, and if so, how significant will that advantage be?

(END OF APPENDIX A)